

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

FAMCO Inc

Idaho TechHelp

FAMCO Uses Downtime to Upgrade to Lean

Client Profile:

FAMCO is a manufacturer and distributor of high quality sheet metal and plastic products for the HVAC industry. FAMCO's customers include heating, air conditioning, ventilation, roofing and siding distributors. The company also designs and manufactures parts and products for OEM's in the HVAC and other industries. FAMCO products are sold by leading wholesalers and retail outlets throughout the US, Canada and several foreign countries. The company employs 50 people at its facility in Meridian, Idaho.

Situation:

When the economy faded and orders slowed in 2008, FAMCO President, Marty Artis, decided to take advantage of the breather to focus on Lean initiatives that had been on hold. He brought in Idaho TechHelp, a NIST MEP network affiliate, to assist with a plant assessment, then worked with TechHelp to plan and implement a Lean Manufacturing initiative.

Solution:

To support the company's Lean manufacturing transformation, TechHelp Manufacturing Specialists worked with the FAMCO management team in the following areas: 1) completed a Lean assessment and Value Stream Map (VSM); and 2) managed a series of Kaizen activities designed to 5S (Sort, Set in Order, Shine, Standardize, Sustain) the plant floor and create a visual workplace, and set up production cells, supermarkets and kanban systems designed to improve manufacturing operations. As Lean took hold and created efficiencies on the plant floor, FAMCO management recognized that the company's order processing operation might benefit from Lean. FAMCO took advantage of the economic slowdown to engage TechHelp in Leaning its office processes. TechHelp's Lean Office Specialist trained FAMCO management and office staff in the Principles of Lean Office. Training was followed by VSM and kaizen activities that helped move FAMCO to the future state envisioned in the VSM. As a result of Idaho TechHelp's assistance, FAMCO created a more professional image by reducing delivery errors and helped the company to avoid a multi-million dollar expansion by reducing the amount of space needed for production and storage.

Results:

- * Projected sales increase of \$40,000.
- * Retained sales of \$100,000.
- * Realized \$20,000 in cost savings.
- * Reduced lead time by 50 percent.
- * Invested \$25,000 in capital improvements.
- * Created/retained 6 jobs.

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* Improved employee morale.

Testimonial:

"Working with the TechHelp guys was great. By engaging our entire team, everyone felt a part of the improvement initiative which greatly improved morale."

Marty Artis, President